

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF VIRGINIA  
LYNCHBURG DIVISION**

In re:

GREGORY MARCELLUS  
KATHERINE MARCELLUS

Debtors

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\* BANRKUPTCY NO. 17-60419

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\* CHAPTER 13

**OBJECTION TO PROOF OF CLAIM 12 OF VIRGINIA CERAMIC COATINGS, LLC.**

COME NOW, Gregory and Katherine Marcellus (the “Debtors”), by and through undersigned counsel, pursuant to Sections 502(a) and 502 (b)(1) of the Bankruptcy Code, Rules 3001 and 3007(a) of the Bankruptcy Rules, and objects to Proof of Claim 12 filed by Virginia Ceramic Coatings, LLC. In support of this Objection, the Debtor respectfully shows this Honorable Court the following:

1. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(B), and this Court has proper subject matter jurisdiction pursuant to 28 U.S.C. § 1334(b).

2. On or about February 11, 2016, Debtor Katherine Marcellus contracted with Shawn Adams and Virginia Ceramic Coatings, LLC<sup>1</sup> (“VCC”) to perform certain repairs on their primary residence. A copy of this contract is attached as **Exhibit A**.

3. The total amount to be paid out to VCC was \$59,015.50.

4. In order to pay for these repairs, Debtor obtained a construction loan from First Guaranty Mortgage Corporation.

5. Debtors aver that VCC was paid in full by FGMC, as VCC signed a series of “Lien Waiver and Release(s)”. A copy of these documents, as well as FGMC’s record of payment are attached as **Exhibit B**.

6. These document all contain clause stating “...Contractor hereby acknowledges complete satisfaction of and forever waives and releases all claims of every kind against Borrower or the property referred to above or any other property of Borrower...”

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<sup>1</sup> Virginia Ceramic Coatings, LLC did not exist on this date as the Virginia State Corporation Commission website shows that the entity was cancelled on or about August 31, 2014 for non-payment of fees.

7. Inexplicably, on or about February 2, 2017, Shawn Adams filed a Warrant in Debt in the General District Court for Cumberland in an attempt to collect additional money from Debtors.

8. The Debtor filed this pending case under Chapter 13 of the United States Bankruptcy Code on March 1, 2017.

9. In an abundance of caution, Debtors listed Shawn Adams, Jack Adams, and Virginia Ceramic Coatings, LLC as creditors on Schedule F, and marked the debt(s) as disputed.

10. On or about June 6, 2017, Shawn Adams filed a Proof of Claim on behalf of the [defunct] Virginia Ceramic Coatings, LLC in the amount of \$13,800.00.

11. Despite being fully aware that that this debt has been fully satisfied, VCC and Shawn Adams continue to doggedly pursue Debtors for payment.

12. Debtors urge this Court to exercise its powers under 11 U.S.C. § 105 to sanction VCC and Shawn Adams for their illegal and inappropriate actions.

WHEREFORE, the Debtors move the Court for relief as follows:

- A. Disallowance of Proof of Claim 12 of Virginia Ceramic Coatings, LLC.;
- B. Sanctions against Virginia Ceramic Coatings, LLC and Shawn Adams for their continued pursuit of a debt that has been satisfied;
- C. Award Debtor's counsel reasonable legal fees in an amount to be determined by this Court; and
- D. Such other and further relief as the Court may deem just and proper.

Respectfully submitted this 31<sup>st</sup> day of August, 2017,

**/s/ Jeremy C. Huang**  
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**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this 31<sup>st</sup> day of August, 2017, a copy of the foregoing Objection to Proof of Claim and Notice of Hearing were served via first class mail, postage prepaid, and/or the Court's Electronic Court Filing system upon the Chapter 13 Trustee and the following parties:

Shawn Adams  
3804 Greyhound Ct., A-3  
Midlothian, VA 23112

Jack Adams  
3804 Greyhound Ct., A-3  
Midlothian, VA 23112

Virginia Ceramic Coatings, LLC  
3804 Greyhound Ct., A-3  
Midlothian, VA 23112

**/s/ Jeremy C. Huang**